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PATENT  
Attorney Docket No.: 020375-002700US

TOWNSEND and TOWNSEND and CREW LLP

By: 

**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE  
BEFORE THE BOARD OF PATENT APPEALS**

In re application of:

Terry Allen-Rouman et al.

Application No.: 09/516,209

Filed: February 29, 2000

For: Electronic Purchase Method And  
Funds Transfer System

Customer No.: 20350

Confirmation No.: 1082

Examiner: Alain L. Bashore

Art Unit: 1762

**APPELLANTS' REPLY BRIEF**

Mail Stop Appeal Brief - Patents  
Commissioner for Patents  
P.O. Box 1450  
Alexandria, VA 22313-1450

Sir:

Appellants offer this Reply Brief in response to the Examiner's Answer mailed December 1, 2006 ("Examiner's Answer"). The following remarks are intended to further focus the issues in this appeal.

**I. ARGUMENT**

**A. Ground of Rejection I**

This ground of rejection has been withdrawn. No further argument is presented.

**B. Ground of Rejection II**

Appellants offer the following additional argument supporting the withdrawal of Ground of Rejection II.

**1. Independent Claims 14-18:**

**Teachings Missing from the Cited References**

Claim 14 recites a step of "receiving purchaser information from a purchaser ... including identification of a purchaser account." Claim 14 further recites that "if the purchaser information is validated, electronically sending a digital IOU to the vendor." Doggett is cited for this proposition in Examiner's Answer (Examiner's Answer, p. 4, citing Doggett, Fig. 3; see also col. 7, ll. 39-64). The Examiner appears to state that the transmission, from payor to payee, of the instrument 74 in Doggett teaches both these steps.

However, the two distinct steps of the claim 14, one conditional upon the other, clearly are not taught by the single transmission of the instrument 74. The transmission of Doggett, from the payor to payee, simply does not teach 1) receiving purchaser information from a purchaser (e.g., via the transmission from the payor), and 2) electronically sending a digital IOU *upon validating that received purchaser information from the payor* (See Original Application, p. 26, l. 14 - p. 27, l. 5). It is, instead, a single transmission of an instrument 74 - it does not suggest the consecutive steps of first "receiving purchaser information" and "if the purchaser information is validated, electronically sending a digital IOU" in a single transmission.

**Motivation to Combine/Reasonable Likelihood of Success: Doggett and Kolling**

The applicants rely on the arguments in their Appeal Brief filed November 6, 2006.

**2. Claims 24-27**

Claim 24 recites notifying the payor that the payment information is not valid. The Examiner cites Figure 7 of Kolling for teaching this limitation (Examiner's Answer, p. 5). In Figure 7 of Kolling, the NSF notice 46 corresponds to the arrows 8, 10, 12 from the Bank C back to the Biller, or payee, 14 (Kolling, Fig. 7 and col. 20, ll. 38-59). In contrast, the claim requires notifying the payor, not the payee. The notification in Kolling is, therefore, going in the wrong direction.

**3. Claims 39-44**

**Teachings Missing from the Cited References**

***First Missing Limitation: Notifying the Payor that the Payment Information is Invalid***

Claim 39, like claim 24, recites notifying the payor that the payment information is not valid. The Examiner cites Figure 7 of Kolling for teaching this limitation (Examiner's Answer, p. 5). In Figure 7 of Kolling, the NSF notice 46 corresponds to the arrows 8, 10, 12 from the Bank C back to the Biller or payee 14. Kolling, Fig. 7 and col. 20, lines 38-59. In contrast, the claim requires notifying the payor, not the payee - thus the notification in Kolling is going to the wrong party for the reference to be used to teach the claim limitation.

***Second/Third Missing Limitations: Database with Purchaser and Vendor Information + Comparing Purchase and Payment Information Against the Database***

Claim 39 requires the database that has purchaser information and vendor information. Claim 39 further requires comparing the purchase and payment information against a database In the Examiner's Answer, as in the Office Action dated June 16, 2005 (Office

Action"), the Examiner appears to make no argument as to how any of the references might teach or suggest this limitation (Examiner's Answer, p. 5). The Appellants further rely on the arguments in their Appeal Brief filed November 6, 2006.

**C. Ground of Rejection III**

Appellants offer the following additional argument supporting the withdrawal of Ground of Rejection III.

**1. Claims 29-33**

The Examiner, in his Answer, appears to simply copy the arguments from the Office Action. In any event, there again appears to be no discussion in the Answer of the "requesting" and both "receiving" steps of claim 29. The Appellants further rely on the arguments in their Appeal Brief filed November 6, 2006.

**2. Claims 35-37**

The Examiner, in his Answer, again appears to simply copy the arguments from the Office Action. There appears to be no discussion in the Answer of the "requesting" and both "receiving" steps of claim 35. The Appellants further rely on the arguments in their Appeal Brief filed November 6, 2006.

**D. Ground of Rejection IV**

Appellants rely on the arguments in their Appeal Brief filed November 6, 2006.

**E. Ground of Rejection V**

Appellants rely on the arguments in their Appeal Brief filed November 6, 2006.

**CONCLUSION**

Thus, for at least these reasons as well as the reasons stated in the Appellants' Appeal Brief filed November 6, 2006, which are hereby incorporated by reference, it is believed that the above claims are entitled to allowance. Appellants respectfully ask the Board to reverse each of the rejections of the Examiner.

Respectfully submitted,



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